IMF report on poverty alleviation

4674. SHRI VIJAY J. DARDA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the recent study done by IMF which has found that "Economic integration may actually increase the risk of financial crises in the developing world", which may damage vulnerable economies, raising poverty rates and destroying the environment; and

(b) whether IMF funded projects have resulted in lowering of poverty in India and if so, to what extent?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) The Government is aware of a recent study by the IMF which found that there is as yet no clear and robust empirical proof that the positive effect of financial integration on growth is quantitatively significant. The study suggests that financial integration should be approached cautiously with good institutions and macroeconomic frameworks viewed as important.

(b) The question does not arise since the IMF does not provide any project related funds.

Flow of institutional credit to farmers in A.P.

4675. DR. DASARI NARAYANA RAO : Will the Minister of FINANCE be pleased to state :

(a) the details of the steps Government have taken to substantially step up flow of institutional credit to farmers in Andhra Pradesh and rest of the country; and

(b) the response of banking sector in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL) : (a) and (b) Reserve Bank of India (RBI) and National Bank for Agriculture and Rural Development (NABARD) have taken several measures for stepping up flow of credit for agriculture sector and its allied activities by the banking sector in the country including the State of Andhra Pradesh. These include :—

(i) Advising the banks to step up their direct lending to agriculture so as to achieve the target of 18 per cent of net bank credit;

(ii) Advising the Public Sector Banks to prepare Special Agriculture Credit Plans (SACP) for increasing credit flow to agriculture;

(iii) Coverage of all eligible farmers by 31st March, 2004 under the Kisan Credit Card Scheme;

(iv) Refinance to banks at concessional rate of interest to enable them to increase the credit flow to agriculture sector;

(v) Introduction of the Rashtriya Krishi Bima Yojana;

(vi) Simplifying the loan procedures based on the recommendations contained in the Report of the High Level Committee on Agricultural Credit;

(vii) Setting up of Rural Infrastructure Development Fund with NABARD;

(viii) Introduction of the Scheme for financing Agri-clinics and Agri-business centres;

(ix) Introduction of scheme for financing farmers for purchase of land for agricultural purposes;

(x) Increase in the distribution of inputs for activities allied to agriculture.

As a result of the above initiatives, agricultural advances of public sector banks has increased from Rs. 46,189.55 crore in March, 2000 to Rs. 53,685.36 crore in March, 2001 and further to Rs. 63,082.99 crore in March, 2002.

Direct tax collections

4676. SHRI EKANATH K. THAKUR : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the direct tax collections for year 2002-03 have surpassed the revised estimate of Rs. 44,700 crore in the corporate tax collection;

(b) whether the income tax refunds have grown by 67 per cent to Rs. 5,664 crore against Rs. 3,384 crore in 2001-02; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : (a) Yes, Sir.

(b) As per the latest figures available, refunds under the head Income Tax have grown by 70.59% to Rs. 5,773 crores in Financial Year 2002-03 over Rs. 3,384 crores in Financial Year 2001-02.